



WILLIAM T FUJIOKA
Chief Executive Officer

County of Los Angeles CHIEF EXECUTIVE OFFICE

713 KENNETH HAHN HALL OF ADMINISTRATION
LOS ANGELES, CALIFORNIA 90012
(213) 974-1101
<http://ceo.lacounty.gov>

December 11, 2007

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Supervisors:

**DEPARTMENT OF PUBLIC HEALTH: APPROVAL OF
AMENDMENT NUMBER 11 TO COUNTY CONTRACT NUMBER H-71250
WITH ACCURATE COURIER SERVICES, INC. FOR
LABORATORY SPECIMEN TRANSPORTATION SERVICES
(ALL SUPERVISORIAL DISTRICTS)
(3 VOTES)**

IT IS RECOMMENDED THAT YOUR BOARD:

1. Approve and instruct the Chair to sign Amendment Number 11 (Exhibit I) to Agreement Number H-71250 between the County of Los Angeles' Department of Public Health (DPH) and the Department of Health Services (DHS) and Accurate Courier Services, Inc. (Accurate) for laboratory specimen transportation services to extend the term of the agreement for a period of six months, effective January 1, 2008, through June 30, 2008, at an estimated cost of \$323,164, and thereafter automatically renews the agreement on a month-to-month basis through June 30, 2009, at an approximate cost of \$646,741 (at \$53,895 per month), with a potential total cost of \$969,904 for the period of January 1, 2008 through June 30, 2009.
2. Delegate authority to the Director of DPH, or his authorized designee, to offer and sign an amendment to Agreement Number H-71250 that provides for an increase of up to 10 percent in the per stop pickup rate, effective July 1, 2008 through June 30, 2009, subject to review and approval by County Counsel and Chief Executive Officer and notification to the Board offices.

Board of Supervisors
GLORIA MOLINA
First District

YVONNE B. BURKE
Second District

ZEV YAROSLAVSKY
Third District

DON KNABE
Fourth District

MICHAEL D. ANTONOVICH
Fifth District

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Approval of the recommended action will allow DPH to amend the Laboratory Specimen Transportation Services Agreement with Accurate to extend the term an additional six months, effective January 1, 2008, through June 30, 2008, and thereafter automatically renewed on a month-to-month basis through June 30, 2009, to allow DPH to complete a solicitation process for the acquisition of a highly qualified laboratory courier transportation service provider.

Following the six month extension for the period of January 1, 2008 through June 30, 2008, there will be a negotiated rate increase, not to exceed 10 percent above the current per stop pickup rate, to compensate Accurate for the rising cost of fuel, as well as the rising cost of employee benefits (i.e. worker's compensation insurance). Accurate's last rate increase was on August 15, 2006, which enhanced the pickup rate by nearly 10 percent.

The continued provision of laboratory specimen transportation services is necessary to ensure that specimens are collected from County health centers, County hospitals, public health clinics, community-based organizations (CBOs), and other similar facilities for delivery to appropriate County laboratory facilities for testing. Adherence to pick up, route schedules, and specimen delivery requirements are some of the mandatory qualifications of a competent laboratory courier, to guarantee that specimens are delivered promptly and under appropriate transport conditions to maintain specimen integrity for testing.

Existing County policy and procedures require the timely submission of contracts for Board approval. This request for approval of the amendment was not scheduled for placement on the Board's agenda three weeks prior to its effective date as required because of extensive contract negotiations, related to the proposed per stop pickup rate percentage increase scheduled for July 2008. In addition, time was required for DHS to recalculate its financial obligations under the Agreement. As this is a shared agreement between DPH and DHS, it is essential that both parties concur with the terms of the Agreement and Amendment.

FISCAL IMPACT/FINANCING

The total estimated cost for services is \$969,904 which is comprised of DPH costs of \$433,796, less revenue from community-based agencies of \$224,000, or actual DPH cost of \$209,796; and DHS costs of \$536,108, for a potential overall net County cost of \$745,904 for the period of January 1, 2008 through June 30, 2009.

Funding for this action is included in DPH's and DHS' Fiscal Year (FY) 2007-08 Final Adopted Budget and both DPH and DHS will fund all costs related to this action in FY 2008-09 with existing resources.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

On February 17, 1998, the Board approved the awarding of a Proposition A (Prop A) laboratory transportation services agreement (Agreement Number H-71250) to First Class Services dba Consolidated Routing (Consolidated), effective February 17, 1998, through December 31, 2000, at an estimated annual cost of \$305,032.

On December 19, 2000, the Board approved Amendment Number 1 to Agreement Number H-712501 with Consolidated, to extend the term for six months, from January 1, 2001 through June 30, 2001, at an estimated net County cost of \$152,516. This extension marked the beginning of a two-year solicitation process, which was eventually initiated in January 2002.

On June 19, 2001, the Board approved Amendment Number 2 to Agreement Number H-712501, to add two additional service site locations, and to extend the term for twelve months, from July 1, 2001 through June 30, 2002, at an estimated net County cost of \$356,960.

On June 18, 2002, the Board approved delegated authority of Amendment Number 3, to extend the term of Agreement Number H-712501 for twelve months, from July 1, 2002 through June 30, 2003, at an estimated net County cost of \$297,944.

On July 1, 2003, the Board approved Amendment Number 4 to extend the term of Agreement Number H-712501 for six months, from July 1, 2003 through December 31, 2003, at an estimated net County cost of \$188,570.

On December 16, 2003, the Board approved Amendment Number 5, to extend the term of the agreement on a month-to-month basis for six months, from January 1, 2004 through June 30, 2004, at an estimated net County cost of \$186,847.

On June 29, 2004, the Board approved Amendment Number 6, to extend the term of the agreement on a month-to-month basis for six months, from July 1, 2004 through December 30, 2004, at an estimated net County cost of \$193,741.

On December 14, 2004, the Board approved Amendment Number 7 to extend the term of the agreement on a month-to-month basis for twenty-four months, from January 1, 2005 through December 31, 2006, at an estimated net County cost of \$710,928.

On August 15, 2006, the Board approved Amendment Number 10, to extend the term of the agreement for fifteen months, from September 1, 2006 through December 31, 2007, and to allow for the completion of the competitive selection process, provide for the addition or deletion of pickup sites during the term of the agreement, and increase the per stop pickup rate from \$10.25 to \$11.25, due to unforeseen fuel cost increases. Included in

this Amendment was an Assignment and Delegation Agreement to change the name of ownership under County's Laboratory Specimen Transportation Services Agreement with California Courier Services, Inc. to Accurate Courier Services, Inc., effective January 1, 2006.

Exhibit I has been reviewed and approved as to form by County Counsel.

Attachment A provides additional information.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Approval of the recommended action will ensure the continued provision of laboratory specimen transportation services, which is vital to both DHS and DPH, as well as to the County. Approximately 37,500 specimens are transported to the Public Health Laboratory (PHL) per month. County facilities, CBOs, and other entities depend on this transportation service to facilitate laboratory testing and reporting of client specimens in an expeditious manner.

CONCLUSION

The Department of Public Health requires four signed copies of the Board's action. It is requested that the Executive Officer, Board of Supervisors, notify DPH, Contracts and Grants Division, at (213) 240-8179 when this document is available.

Respectfully submitted,



WILLIAM T FUJIOKA
Chief Executive Officer

WTF:SRH:SAS
DRJ:RM:bjs

Attachments (2)

c: County Counsel
Director and Health Officer, Department of Public Health

SUMMARY OF AGREEMENT

1. TYPE OF SERVICE:

Laboratory specimen transportation services for County facilities.

2. AGENCY ADDRESS AND CONTACT PERSON:

Accurate Courier Services, Inc.
11022 Santa Monica Boulevard, Suite 100
Los Angeles, California 90035
Attention: Joseph Yemini, President
Telephone: (310) 481-3937 or (818) 822-0664
Facsimile: (310) 481-0695
Electronic Mail (e-mail) Address: joseph@accuratecourier.net

3. TERM:

The term of Amendment Number 11 is effective on January 1, 2008 through June 30, 2008, thereafter automatically renewed on a month-to-month basis through June 30, 2009.

4. FINANCIAL INFORMATION:

The total estimated cost for services is \$969,904 which is comprised of DPH costs of \$433,796, less revenue from community-based agencies of \$224,000, or actual DPH cost of \$209,796; and DHS costs of \$536,108, for a potential overall net County cost of \$745,904 for the period of January 1, 2008 through June 30, 2009.

Funding for this action is included in DPH's and DHS' Fiscal Year (FY) 2007-08 Final Adopted Budget and both DPH and DHS will fund all costs related to this action in FY 2008-09 with existing resources.

5. GEOGRAPHIC AREA SERVED:

Countywide.

6. ACCOUNTABLE FOR MONITORING AND EVALUATION:

Mary Beth Duke, Public Health Laboratory, Laboratory Manager
(213) 250-8677

Dennis Takahashi, Supervising CLS II, H. Claude Hudson CHC Laboratory
(213) 744-3697

7. APPROVALS:

Department of Public Health:

John F. Schunhoff, Ph.D.,
Chief Deputy Director

Department of Health Services:

W. Stephen Matthews, Ph.D.
Director, Office of DHS Laboratory Services

Contracts and Grants:

Gary T. Izumi, Chief

County Counsel (approved as to form):

Robert E. Ragland,
Senior Deputy County Counsel

Contract No. H-71250-11

LABORATORY SPECIMEN TRANSPORTATION SERVICES AGREEMENT

AMENDMENT No. 11

THIS AMENDMENT is made and entered into this 11th day
of December, 2007,

by and between

COUNTY OF LOS ANGELES (hereafter
"County"),

and

ACCURATE COURIER SERVICES, INC.
(hereafter "Contractor").

WHEREAS, reference is made to that certain document entitled "LABORATORY SPECIMEN TRANSPORTATION SERVICES AGREEMENT", dated February 17, 1998, and further identified as County Agreement No. H-71250 and any Amendments thereto (all hereafter referred to as "Agreement"); and

WHEREAS, it is the intent of the parties hereto to amend Agreement to extend the term and provide other changes set forth herein; and

WHEREAS, said Agreement provides that changes may be made in the form of a written Amendment which is formally approved and executed by the parties.

NOW, THEREFORE, the parties agree as follows:

1. This Amendment shall be effective on January 1, 2008.
2. Paragraph 1, TERM AND TERMINATION, subparagraph "A" of the Agreement, shall be amended to read as follows:

"1. TERM AND TERMINATION:

71250
Supplement No. 11

2. Paragraph 1, TERM AND TERMINATION, subparagraph "A" of the Agreement, shall be amended to read as follows:

"1. TERM AND TERMINATION:

A. This Agreement shall be effective February 17, 1998, and shall continue in full force and effect through June 30, 2008, thereafter this Agreement shall be automatically renewed on a month-to-month basis until midnight June 30, 2009.

In any event, this Agreement may be canceled or terminated at any time by either party, with or without cause, by giving at least thirty (30) calendar days' prior written notice of such cancellation or termination to the other."

3. Wherever in the Agreement it states County's "Department of Health Services" should now read County's "Department of Health Services and County's Department of Public Health".

4. Except for the changes set forth hereinabove, Agreement shall not be changed in any respect by this Amendment.

/

/

/

/

/

/

IN WITNESS WHEREOF, the Board of Supervisors of the County of Los Angeles has caused this Amendment to be subscribed by its Chair, and Contractor has caused this Amendment to be subscribed in its behalf by its duly authorized officer, the day, month, and year first above written.



ATTEST:

SACHI A. HAMAI,
Executive Officer of the
Board of Supervisors of the
County of Los Angeles

By *[Signature]*
Deputy

APPROVED AS TO FORM
BY THE OFFICE OF THE COUNTY COUNSEL
RAYMOND G. FORTNER, JR.
County Counsel

By *[Signature]*
Deputy

APPROVED AS TO CONTRACT
ADMINISTRATION:

Department of Public Health
By *[Signature]*
Gary T. Izumi, Chief
Contracts and Grants

COUNTY OF LOS ANGELES

By *[Signature]*
Chair, Board of Supervisors

ACCURATE COURIER SERVICES, INC.
Contractor

By *[Signature]*
Signature

Joseph Memini
Printed Name

Title President & CEO
(AFFIX CORPORATE SEAL)

I hereby certify that pursuant to
Section 25103 of the Government Code,
delivery of this document has been made.

SACHI A. HAMAI
Executive Officer
Clerk of the Board of Supervisors

By *[Signature]*
Deputy

ADOPTED
BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

20 DEC 11 2007

[Signature]
SACHI A. HAMAI
EXECUTIVE OFFICER